

**UNITED STATES DISTRICT COURT  
FOR THE SOUTHERN DISTRICT OF TEXAS, CORPUS CHRISTI  
DIVISION**

**INTERLOCUTORY SALE**

**MV 'SAM EAGLE'**

**CONDITIONS OF SALE**

**SUBJECT MATTER OF SALE**

1. In these conditions the expression "the Vessel" means mv 'Sam Eagle' (IMO: 9559676) her engines, freights, apparel, appurtenances, tackle, etc.

**AUCTION PROCEDURE**

2. The Vessel shall be sold as is where is by the United States District Court for The Southern District of Texas, Corpus Christi Division ("Court") to the high bidder, free and clear of all liens, claims, mortgages and encumbrances.
3. The sale shall be conducted at 09:00 hrs Central Daylight Time (15:00 hrs British Summer Time) on Wednesday 15 July 2020.
4. The sale shall be held by video conference internet auction conducted by CW Kellock & Co Ltd ('the Broker') who shall arrange preregistration of bidders and auction arrangements.
5. Bids may be submitted in writing to the Broker before the sale, and/or online via the internet by video conference.

**Exhibit A**

6. In order to participate, prospective bidders must complete and submit a document in the format set out in Annexe 1 granting power of attorney to the bidder's representative, who will then be given an online code to the conference and registered number to be printed and displayed when bidding. On joining the video conference, the representative must display to the camera their passport or other acceptable United States identification for identity verification.
7. Detailed bidding procedure is set out in Annexe 3.
8. The sale of the Vessel shall be for a minimum bid of no less than US\$ 3,750,000.00 and minimum bid increments of US\$ 10,000.00
9. On conclusion of the auction, the Broker shall submit the record of bids to the Court. The Court shall review and confirm acceptance of the highest bid to the Broker.
10. The Court is not obliged to accept any offer. All bids will be binding and will remain valid for 14 days from the date of auction.
11. Upon confirmation the highest bidder shall be required to place a deposit of 10% of the purchase price into the registry of the Court as soon as possible, but in any event no later than 48 hours following confirmation of the winning bid. The winning bidder will have two options for submitting the deposit and (later) the balance of the purchase price to the Courts registry:
  - a. The first option is for the bidder to retain an attorney who is admitted to practice in the Southern District of Texas. That attorney can then coordinate submission of a cashier's check in the necessary amount to the clerk's office for the Southern District of Texas.
  - b. The second option is to wire the funds to the District Court for the Southern District of Texas. Wire instructions will be provided in advance on request..
12. The remaining balance of the purchase price shall be paid into the registry of the Court within 7 days following confirmation of the winning bid.
13. If the successful bidder does not pay either the deposit or the balance of the purchase price when required, said bidder shall be in default. In the event that default occurs after a deposit has been made into the registry of the Court, the defaulting bidder's earnest money deposit shall be forfeited.

14. Should the highest bidder default on the sale, then the Broker shall offer the sale to the second highest bidder, and so on, until the sale of the vessel is accomplished.
15. Upon full payment of the purchase price, the Court shall have issued a bill of sale in favour of the successful bidder, conveying title to the Vessel to such purchaser free and clear of any and all liens whatsoever.
16. Any party or interested person may object to the sale with 5 days of the date of the auction by (a) filing a written objection with the Court, by (b) serving a copy of the objection upon counsel for all parties in this action, upon the successful bidder, and by (c) paying into the Court's registry the amount of US\$ 14,000.00 which shall be considered the equivalent of the expenses of keeping the vessel for at least 14 days. This Court will set an expedited hearing to consider any objection to the sale. If no objection is filed and/or no payment is made to the Court's registry to pay the expenses of keeping the Vessel for at least 14 days, the Court may enter its Order Confirming Sale without a hearing.

#### **BASIS OF SALE**

17. Each bidder undertakes that in making his offer he has not relied upon any information which he may have been given by or on behalf of the Court and that he has relied solely upon his own enquiries and/or inspection.
18. The Vessel is sold 'as is where lies' at the date of the sale with all its faults and errors of description whatever.
19. On delivery, the successful bidder shall have the Court's Bill of Sale for the Vessel, together with any documents belonging to the Vessel which are in the Court's possession. The Court shall not be responsible for providing any other documentation.

#### **RISK etc**

20. The Vessel shall be at the successful bidder's risk from the time when the payment referred to in clause 12 is made or becomes due, whichever is earlier, and from that

time all expenses relating to the Vessel, including dock and other dues, shall be for the successful bidder's account.

21. If the Vessel is lost, destroyed or damaged in any way whatever before the Vessel has passed to the successful bidder the Court may rescind the contract of sale by notice in writing to the successful bidder and repaying to the successful bidder, without interest, costs or compensation, any sums the successful bidder has paid under clause 5.

## ANNEXE 1

### SPECIAL POWER OF ATTORNEY TO BID FOR MV "SAM EAGLE"

We, **[insert full company/entity name]** a **[company or specify other entity]** incorporated and existing in accordance with the laws of **[specify country]**, bearing registration number **[insert]** and herein represented by our duly authorized representative(s), **[insert name(s) of authorized representative(s)]** bearing **[insert passport/identity number(s)]** (the "**Grantor**") hereby appoint **[insert name of agent]** bearing **[insert passport/identity/registration number]** to be the Grantor's duly authorized representative and agent (the "**Agent**") with full power of substitution to:

- a) represent and act on behalf of the Grantor for all purposes at and in relation to the judicial auction of the MV 'SAM EAGLE' held or to be held pursuant to an Order of the United States District Court for the Southern District of Texas, Corpus Christi Division, on July 15 2020 or on any subsequent date, at such venue or on such online platform as may be specified by the court appointed broker for the said judicial auction;
- b) register for said auction on behalf of the Grantor and to participate fully therein on behalf of the Grantor, including putting forward bids on behalf of the Grantor, and do any and all such things reasonably necessary for and/or ancillary to the full and effective participation in the auction on behalf of the Grantor;
- c) in the Grantor's name, place and stead, make, sign, execute, seal and deliver any undertaking, deed, agreement or any other document whatsoever required in connection with the auction, in such form and on such terms and conditions as the Agent in its absolute discretion deems fit;
- d) appear before, and represent the Grantor in all matters related to said auction and/or any sale entered into on the Grantor's behalf pursuant thereto and/or related to the implementation thereof, any Court and/or Consular and/or Customs Officer, Shipping Registrar, Commissioners, Notaries, Maritime

Administrations, Harbour Masters, Port officers and/or any other competent authority; and

- e) appoint one or more substitutes to carry out all or any of the objects herein authorized and to revoke any such appointment,

and generally to do all such things, perform all such acts and sign all such documents as the said Agent, in the Agent's absolute discretion, deems necessary, desirable or expedient for carrying out all or any of the purposes or acts herein authorized.

The Grantor hereby ratifies and agrees to ratify all and whatsoever shall be done by the Agent or any substitute(s) acting lawfully pursuant to this power of attorney.

SIGNED AT \_\_\_\_\_

ON THIS \_\_\_\_ DAY OF \_\_\_\_\_ 2020

\_\_\_\_\_

For and on behalf of: **[Insert full company / entity name of Grantor]**

Duly authorized and warranting such authority

**To be notarially attested and legalised by the US Consul, and to be supported by appropriate Board Resolutions of the Grantor**

## ANNEXE 2

### Written bid for purchase of mv **SAM EAGLE**

We *[buyer's name]*

of *[address]*

*[mobile phone]*

*[email]*

hereby offer to purchase at the price of US\$ *[figure]*

say *[price in words]*

the mv '**SAM EAGLE**' now lying at **Corpus Christi** and at present under arrest of the United States District Court for the Southern District of Texas, Corpus Christi Division.

This offer is to purchase the said '**SAM EAGLE**' on the terms of the Conditions of Sale above and shall remain open for 10 days after the date of the auction.

Signed under Power of Attorney:

Name:

Dated:

Witnessed:

## **Annex 3**

### **Bidding procedure**

- A bidder who has submitted Power of Attorney as per Annexe 1 will be issued with
  - a. an invitation to a Zoom meeting and
  - b. a random registration number for identification purposes, which the bidder should print out in advance of the auction (a large and legible handwritten version will suffice).
- The auction will be conducted via the Zoom meeting which will open 30 minutes before the start of the auction.
- Check in early to register your attendance and to ensure that connections work satisfactorily.
- Participants may after joining be returned to the 'Waiting Room' until shortly before the auction, while other participants are similarly processed.
- From the start of the auction participants will be able to see and hear all the proceedings.
- During the auction the participants may be muted until such time as they wish to speak.
- Bidding will start at US\$ 3,750,000. Initial increments will be US\$ 50,000, and may be reduced at the auctioneer's discretion. Minimum increments will be US\$ 10,000.
- Proceedings will be conducted slowly and calmly
- If you wish to speak (e.g. to submit a bid, to request time for consultation, or to seek clarification), hold up your registration number to the camera: the auctioneer will unmute you so that you can be heard.
- If at any point you lose connection and/or cannot be heard, telephone the auctioneer Paul Willcox of CW Kellock directly on +44 7768 735634
- Bidding will continue until the auctioneer is satisfied that the highest point has been reached.